The April 15, 1992 ONA plan amendments, however, covered a much wider range of issues, which have never been subject to general public comment. MCI is concerned that the absence of such comment might be misinterpreted as general satisfaction with the current state of ONA. In fact, not only are the current ONA requirements ridiculously lax, 2 but the BOCs' grudging semicompliance with those minimal requirements in their ONA plan amendments also leaves much to be desired.

MCI has commented on various aspects of the current state of ONA, including the BOCs' current ONA plans, in responding to the BOCs' petitions for structural relief³ and on the applications

See, e.g., Comments of MCI Telecommunications
Corporation, Reply Comments, Petition for Reconsideration of MCI
Telecommunications Corporation, Reply Comments of MCI
Telecommunications Corporation and Reply Comments of MCI
Telecommunications Corporation, CC Docket No. 88-2, Phase I,
filed April 18, 1988, May 31, 1988, February 24, 1989, April 19,
1989, June 3, 1991 and June 24, 1991, respectively; Comments of
MCI Telecommunications Corporation, Computer III Remand
Proceedings, CC Docket No. 90-368, filed Sept. 10, 1990.

See Comments of MCI Telecommunications Corporation on Nynex's Petition for Structural Relief, filed herein and in CC Docket No. 90-623 on Oct. 7, 1992; Comments of MCI Telecommunications Corporation on Ameritech's Petition for Structural Relief, filed herein and in CC Docket No. 90-623 on April 24, 1992; Comments of MCI Telecommunications Corporation on Southwestern Bell's Petition for Structural Relief, filed herein and in CC Docket No. 90-623 on May 6, 1992; Comments of MCI Telecommunications Corporation on US West's Petition for Structural Relief and Waiver Request, filed herein and in CC Docket No. 90-623 on April 7, 1992; Comments of MCI Telecommunications Corporation on Bell Atlantic's Petition for Structural Relief, filed herein and in CC Docket No. 90-623 on April 10, 1992.

for review of Bureau orders granting such petitions. MCI incorporates by reference all of those comments, cited in footnotes 3 and 4 herein.

The BOCs' Defective April 1992 Amendments

MCI also wishes to focus the Commission's attention on two aspects of the BOCs' April 15, 1992 ONA plan amendments discussed in its prior comments on individual BOCs' petitions for structural relief -- the BOCs' introduction of ONA services not previously available and their responses to ONA service requests during the year preceding the April 15, 1992 amendments. In both respects, the BOCs' performance was as dismal as that reflected in their April 1991 amendments.

A review of the April 1992 amendments reveals that the vast majority of ONA service requests originally deemed "technically infeasible" are still unavailable, although many are now vaguely categorized as "under evaluation for possible future development" or similar noncommittal characterizations. Attachment 3 to Ameritech's April 1992 amendments shows that only one ONA service has been made available out of the 33 that were deemed infeasible in the April 1991 amendments. Initially, in 1988, Ameritech had deemed 33 ONA service requests infeasible in its ONA plan. Four became feasible as of the April 1991 amendments, but four others

Comments of MCI Telecommunications Corporation on Applications for Review of US West and Ameritech Structural Relief, filed herein and in CC Docket No. 90-623 on August 31, 1992; Comments of MCI Telecommunications Corporation on Applications for Review of Bell Atlantic Structural Relief, filed herein and in CC Docket No. 90-623 on August 24, 1992.

moved into the infeasible category. Moreover, Attachment 3 to Ameritech's 1992 amendments shows that three of the four that supposedly became feasible in the 1991 amendments are not actually available and will only become feasible in the future. Thus, of 33 ONA services initially deemed infeasible, plus four added to the infeasible list, Ameritech has been able to develop only two new ONA services.

Appendix B of Bell Atlantic's April 1992 amendments also reflects relative stasis. There were 42 ONA service requests listed in Appendix I to Bell Atlantic's 1991 amendments as being not currently available. One year later, there were still 42 requests listed in Appendix B of Bell Atlantic's April 1992 amendments that were not yet available. Five were characterized as requests "that can be met," but the rest, including five that had been characterized in 1991 as requests "that can be met with existing technology," were simply "under evaluation," which appears to be the BOCs' current lingo for "Don't hold your breath."

BellSouth stated in Report 3 of its April 1992 amendments that three ONA requests previously deemed infeasible can partially be met with other existing ONA services, but it did not identify any ONA service requests deemed infeasible in the 1991

See Addenda to the Open Network Architecture Plan of the Ameritech Operating Companies, Addendum to Section IX(B) at 30-32, filed herein on April 15, 1991.

See p. 17 and Appendix I of Bell Atlantic's April 1991 amendments.

amendments that had since become available. Nynex's April 1992 amendments contained no systematic analysis of its progress since its April 1991 amendments in making new ONA services available. Nynex discusses, at pages 7-9 of its April 1992 amendments, some examples of new technologies that "will... make... ESP requests technically feasible," and it discusses services that were already feasible that are now more widely available, but apparently, no ONA service became technically feasible during the year preceding the April 1992 amendments.

Pages 6-7 and Exhibit B of Southwestern Bell's April 1992 amendments shows that only 11 of the 60 requested ONA services previously deemed technically infeasible are now feasible, and not all of those are being offered. Pages 11-18 of US West's April 1992 amendments shows that only 16 of the 64 ONA service requests originally deemed "technically infeasible" are now available.

The significance of the continued unavailability of most of the ONA service requests that were unmet initially is illustrated by the Commission's admission in the <u>BOC ONA Order</u> that the BOCs' initial sets of ONA services "are somewhat limited" and consisted largely of existing services. Since, as reflected in

Filing and Review of Open Network Architecture Plans, CC Docket No. 88-2, Phase I, 4 FCC Rcd. 1, 66, at ¶ 125 (1988), On recons., 5 FCC Rcd. 3084 (1990) (ONA Reconsideration Order), further order, 5 FCC Rcd. 3103 (1990) (BOC ONA Amendment Order), appeal docketed sub nom. People of the State of California v. FCC, No. 90-70336 and consolidated cases (9th Cir. July 5, 1990).

<u>Id</u>. at 168-69, 176, 196-202, ¶¶ 320, 338, 374-83.

the 1992 amendments, not much has happened since then in making new ONA services available, ONA is still largely a collection of previously available services, merely restyled as "ONA."2

The lack of progress in fulfilling ESPs' needs for ONA services has had the inevitable effect on ESP requests for new services. The BOCs reported requests for only 10 new ONA services in their April 1992 amendments, of which they have met only 3.10

By leaving the development of new ONA services largely up to the discretion of individual BOCs, the Commission has guaranteed the mediocre performance reflected in the April 1992 amendments. The BOCs are therefore no closer to realization of the ONA regime

Some ONA services not appearing in the initial ONA plans were made available in the amended plans approved in the BOC ONA Amendment Order, but even then, only 37 of the 118 original requests -- less than one-third -- were offered under all of the amended plans (see Table 2 of Appendix C to the BOC ONA Amendment Order, 5 FCC Rcd at 3123). That is the most significant figure for ESPs attempting to offer nationwide services and therefore needing the same ONA services in every region.

[&]quot;not now technically feasible." See page A-4 of Bell Atlantic's April 1992 amendments. BellSouth received four requests, of which one is "technically infeasible," one is being developed and two are being offered. See Report #2 of BellSouth's April 1992 amendments. Nynex received one request, as to which it has requested additional information. See Nynex's April 1992 amendments at 6. US West received 14 requests for four services, of which one service is available, one has been deemed not an ONA service, and requests for two services are being evaluated. See pages 8-11 of US West's April 1992 amendments. According to page 5 of Ameritech's April 1992 amendments, it received no requests.

that was promised in Computer III than they were when the initial ONA plans were filed in 1988.

The BOCs' Anticompetitive Approach to ISDN

The BOCs' continuing resistance to the goals of ONA is illustrated by the attached affidavit of Richard L. Taylor recently introduced into the record of the MFJ proceeding. 127

According to the affidavit, Bellcore embarked on a conspiracy with the BOCs to establish technical standards for ISDN that would ensure BOC monopoly control over access to ISDN in order to prevent competition. This conspiracy was carried out through the promulgation of unnecessarily restrictive ISDN standards at a "TI" standards meeting, resulting in anticompetitive provisions in the American National Standards Institute (ANSI) ISDN standard, as well as through unnecessarily restrictive, bundled technical criteria in Bellcore/BOC procurement documents. 127

Since unbundled access to ISDN will be a crucial element in the future development of ONA, these revelations strike at the heart of the Commission's earlier promises for ONA. The

Amendment of Section 64.702 of the Commission's Rules and Regulations, CC Docket No. 85-229, Phase I, 104 F.C.C.2d 958 (1986), on recons., 2 FCC Rcd 3035 (1987); Phase II, 2 FCC Rcd 3072 (1987), vacated and remanded sub nom. California v. FCC, 905 F.2d 1217 (9th Cir. 1990); Phase I, further recon., 3 FCC Rcd 1135 (1988), second further recon., 4 FCC Rcd 5927 (1989); Phase II, on recons., 3 FCC Rcd 1150 (1988), further recon., 4 FCC Rcd 5927 (1989).

Motion to Intervene in the Public Interest and Affidavit of Richard L. Taylor, Pro Se, <u>United States v. Western Electric Co., Inc.</u>, C.A. 82-0192 (D.D.C. filed Nov. 23, 1992), attached as Exhibit A.

See Exhibit A.

development of ONA is especially vulnerable to this type of manipulation of technical standards because of the Commission's propensity to leave almost every important ONA issue for further consideration by similar industry standards for adominated by the BOCs and Bellcore. Whatever ostensible compliance with the public criteria for ONA the BOCs may have achieved thus is totally undercut by the restrictive, anticompetitive practices revealed in Exhibit A. In light of those practices and the BOCs' defective ONA plan amendments filed in April, ONA must still be adjudged a failure.

Respectfully submitted,

MCI TELECOMMUNICATIONS CORPORATION

By:

Frank W. Krogh

Donald J. Elardo

1801 Pennsylvania Ave., N.W.

Washington, D.C. 20006

(202) 887-2372

Its Attorneys

Dated: December 17, 1992

See, e.g., ONA Reconsideration Order, 5 FCC Rcd. at 3086-88, ¶¶ 16, 23, 30; BOC ONA Amendment Order, 5 FCC Rcd. at 3105, 3107-09, 3111-12, 3116, ¶¶ 33, 46, 50, 71, 74-78, 110-111.

APPENDIX A

UNITED STATES DISTRICT COURT FOR DISTRICT OF COLUMBIA

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MOM O T IN

	- 3461 5 3 1945	
UNITED STATES OF AMERICA,	CLERK, U.S. DISTRICT COURT DISTRICT OF COLUMBIA	
Plaintiff,		
vs.	Civil Action 82-0192	
WESTERN ELECTRIC COMPANY, INC., AND AMERICAN TELEPHONE AND TELEGRAPH COMPANY,)))	

MOTION TO INTERVENE IN THE PUBLIC INTEREST AND AFFIDAVIT OF RICHARD L. TAYLOR, PRO SE

STATE OF NEW JERSEY)
	: S S.:
COUNTY OF MONMOUTH)

Defendants.

Richard L. Taylor, of full age, duly sworn upon his oath, deposes and says:

- 1. I was employed as a Member of Technical Staff by Bell Communications

 Research, Inc. ("Bellcore") from on or about August 12, 1985 until

 dismissed on or about March 7, 1991.
- 2. Bellowe is, upon knowledge and belief, a cartel owned and directed by, seven telecommunications holding companies, known as the Regional Bell Operating Companies ("RBOC"s) which own, control, and derive their principal revenues from, the twenty two Bell Operating Companies ("BOC"s). These BOCs were divested by the original American Telephone and Telegraph Company (AT&T)

under a plan approved by this Court.

- 3. Bellcore exists, upon knowledge and belief, at least in part, as a result of actions taken by the United States Department of Justice under the provisions of Pub. L. 51-190, 15 U.S.C. §§1-2 Stat. 209 (the "Sherman Act").
- 4. Authority for Bellcore's existence is, upon knowledge and belief, vested first in the Modified Final Judgment, 552 F.Supp.131 (1982) §I(B).
- 5. This authority reads in two parts: "Notwithstanding separation of ownership, the BOCs may support and share the costs of a centralized organization for the provision of engineering, administrative and other services which can most efficiently be provided on a centralized basis ("PART 1"). The BOCs shall provide, through a centralized organization, a single point of contact for coordination of BOCs to meet the requirements of national security and emergency preparedness (PART 2)."
- 6. None of the work I was assigned, or which I performed, while employed by Bellcore was authorized by PART 2, as defined above.
- 7. In late 1987 the Court stated concerns regarding potential anticompetitive actions by the Bellcore cartel, 673 F.Supp.525 (D.D.C. 1987) § IV.
- 8. These concerns were: "The Bellcore Problem thus resembles the squaring of the circle. If Bellcore's powers are cut back to safeguard against Regional Company collusion in manufacturing, marketing, and purchasing, it will be deprived of the capacity to perform its

- national coordinating and standard-setting functions; if its powers are left intact, it will stand as a suitable vehicle for joint Regional Company action with respect to the manufacture of telecommunications equipment and CPE ("The Bellcore Problem")."
- 9. During the period from about January 1, 1987 and continuing through December, 1987, I was asked to, and I did, PART 1 work which, upon current knowledge and belief, was intended to be and did in fact violate provisions of the Sherman Act.
- 10. I was directed to, and I did, conspire with my Bellcore management, and conspire jointly also with members of each of the seven RBOCs, to provide the technical means necessary to leverage monopoly voice telecommunications access to create monopoly local access to ISDN, a new digital telecommunications technology that is not otherwise a natural monopoly.
- 11. This conspiracy resulted in a successful execution of a covert plan to discard two existing draft American national ISDN standards at a T1 standards meeting held in 1987, and their replacement with an earlier Bell System standard that was being balloted at the international standards body, CCITT. This replacement standard was designed for telecommunications monopolies: state monopolies overseas, the Bell System monopoly within the United States.
- 12. I was directed to, and I did, generate and provide massive detailed technical justifications in support of these anti competitive objectives and purposes.

- 13. As a direct result of these actions, the American National Standards
 Institute ISDN standard, numbered T1.602, contains unfair and
 otherwise unnecessary technical provisions designed to insure BOC
 monopolies on local ISDN access.
- 14. I was also directed to, and I did, conspire with my Bellcore management, and conspire jointly also with members of each of the seven RBOCs, to go beyond even the unfair public standard in efforts to insure BOC monopoly access to ISDN.
- 15. For these purposes, I designed technical data link access restrictions that were supposedly "protective," but which in fact were designed to prevent competition.
- 16. Also for these purposes, I bundled data link access with other exclusively BOC-provided ISDN services, when there were no purely technical reasons for such bundling.
- 17. These technical protective and service-bundled ISDN technical switch requirements are contained in documents I wrote, Bellcore's relevant ISDN Technical Advisory and Technical Reference (documents numbered TA-TSY-000793 and TR-TSY-000793, Issue 1, respectively).
- 18. Further, these ISDN switch requirements, incorporating technical features designed to insure local BOC ISDN access monopolies, were used by Bellcore and the RBOCs in joint procurement activities that took place under a Bellcore plan known as "9-on-1" meetings.

19. I therefore move to intervene in this case on grounds of the public interest, and ask the Court to reconsider the plan of divestiture as it relates to Bellcore.

Richard L. Taylor

11 Bay Street, Rumson, N.J. 07760

Subscribed and sworn to before me this $19^{\frac{11}{12}}$ day of November 1992.

Notary Public

My Commission Expires

DOROTHY STRANLE

Notary Public State of New Jersey

Wy Commission Expires June 5, 1997

APPENDIX D

FEDERAL COMMUNICATIONS COMMISSION

Common Carrier Bureau Enforcement Division

OFFICIAL FLE-Pan.8202

Informal Complaints and Public Inquiries Branch Suite 6202

Washington, D.C. 20554 202-632-7553

Notice of Informal Complaint

In Reply Refer To: 63203

To:

Date 23 MAR

Mr. Whitney Hatch Assistant Vice President-Regulatory Affairs GTE Service Corporation 1850 M Street, N.W., Suite 1200 Washington, D.C. 20036

The enclosed informal complaint has been filed with the Commission pursuant to Section 208 of the Communications Act, 47 U.S.C. § 208, and Section 1.711 of the Commission's Rules, 47 C.F.R. § 1.711. Under Section 1.717 of the Commission's Rules, 47 C.F.R. § 1.717, your company must investigate this complaint and advise the Commission in writing, with a copy to the complainant, of your company's satisfaction of the complaint or your company's refusal or inability to do so.

Your company's investigation report regarding the enclosed complaint must be filed with the Commission, in writing, within thirty days of the date of this Notice. Also, your company should send a copy of the investigation report to the complainant. Your company is directed to retain all records which may be relevant to the complaint until final Commission disposition of the complaint.

IC Number

Complainant

IC-92-04125 (Hennigan, M.)

Voice-Tel Northwest

GTE of NW

Sincerely,

Kathie A. Kneff, Chief

Informal Complaints and Public

Inquiries Branch

Enforcement Division Common Carrier Bureau

8300 SEARS TOWER 233 SOUTH WACKER DRIVE CHICAGO, ILLINOIS 60606-6589 (312) 876-3400

FACSIMILE (312) 676-3582

1201 NEW YORK AVENUE, N.W. WASHINGTON, D.C. 20005-3919

(202) 789-3400

FACSIMILE (202) 789-1158

INFORM FEB 21 192 20s ANGELES, CALIFORNIA

SAN FRANCISCO, CALIFORNIA

HOUSTON, TEXAS

PEORIA, ILLINOIS

SCHAUMBURG, ILLINOIS

OAKBROOK TERRACE, ILLINOIS

FILE NUMBER DIRECT DIAL February 20, 1992

KECK MAHIN CATE & KOETHER NEW YORK, NEW YORK FAR HILLS, NEW JERSEY

Ms. Kathie A. Kneff
Chief
Informal Complaints Branch
Enforcement Division
Common Carrier Bureau
Federal Communications Commission
Washington, D.C. 20554

Re:

In the Matter of Voice Messaging Service Provided by GTE Northwest Incorporated

Dear Ms. Kneff:

On behalf of Voice-Tel of Northwest, a provider of voice messaging service, I am filing this informal complaint to protest a number of unreasonable practices by GTE Northwest, Inc., which adversely affect vendors and consumers of voice messaging service. These practices are:

- 1) unfair bundling of GTE CentraNet features with basic services necessary for competitors to provide voice messaging services;
- 2) unfair competitive practices by GTE in selling its CentraNet voice messaging service;
- 3) unreasonable discrimination by GTE in failing to make available to competing voice messaging providers all basic services that GTE makes available to its CentraNet Voice Messaging customers;

¹ Complainant's name, address and telephone number are: Voice-Tel Northwest (David Ellsworth, President), 9500 S.W. Barbur Blvd., Suite 113, Portland, Oregon 97219-5425, (503) 244-2956.

Ms. Kathie A. Kneff February 20, 1992 Page 2

- 4) GTE's lack of a COG group to protect vendors from unfair practices by GTE sales order writers;
- 5) apparent cross-subsidization by GTE of its CentraNet voice messaging service; and,
- 6) the lack of an Agency agreement for vendors to sell GTE CentraNet services.

GTE is operating with none of the FCC regulatory restrictions placed on the regional Bell Operating Companies ("BOCs") pursuant to the <u>Computer III</u> decision, yet enjoys the same monopoly control over network access in the markets it serves.

Voice-Tel's experience with GTE tariffs and business practices suggests that GTE is using its monopoly powers to restrict competition in the voice messaging service industry. As explained below, Voice-Tel is a service provider that has been unfairly hurt by these practices. This letter identifies specific measures the Commission should adopt to halt these practices.

Unfair Bundling of Services

As a provider of voice messaging services, Voice-Tel has found that many of its customers want to be able to transfer outside callers to their off-premises voice mail box. This call transfer generally requires a network-based call transfer feature.² GTE refuses to provide this call transfer feature unless the customer orders the full feature package associated with CentraNet service.

This bundling is an unreasonable practice and should be halted by the Commission. First, there is no valid reason why voice-messaging customers should be forced to order a complete CentraNet package when all they want or need is a call transfer feature. In essence, the bundling of call transfer with CentraNet forces independent vendors such as Voice-Tel to market GTE's CentraNet service in order to offer a fully featured voice messaging service. By requiring Voice-Tel's customers to buy more service from GTE than they need, this bundling

² If the customer has a PBX, the PBX's call-transfer feature can be used to transfer the call. However, this ties up two lines (one for the incoming call and one for the outgoing transfer) to the customer premises. Thus, it is not a satisfactory solution for most customers.

Ms. Kathie A. Kneff February 20, 1992 Page 3

unreasonably discriminates against Voice-Tel customers and operates as an anticompetitive tie-in.

Second, the bundling of call transfer with CentraNet enables GTE to engage in unfair competitive practices in marketing its CentraNet voice messaging service. Because other vendors' customers are required to order CentraNet in order to obtain call transfer, these customers improperly become "fair game" for GTE marketers selling voice messaging services. An example of this is provided below.

Unfair Competitive Practices

As an example of the unfair competitive practices associated with GTE's bundling of call transfer with CentraNet, Voice-Tel of Portland recently had a fairly large potential voice messaging service customer (50 plus boxes) stolen by GTE during the customer's investigation of GTE's CentraNet capabilities. The customer, RE/MAX Realtors of Lake Oswego, had intended to put voice mail on-premise. After Voice-Tel presented to her the capabilities of Voice-Tel voice messaging in conjunction with GTE's CentraNet service, the customer said she was going to order Voice-Tel, but was still unsure about ordering CentraNet service. In order to complete the sale, Voice-Tel had to refer her to GTE representatives for information about CentraNet service. After calling them she was still uncertain and made her own arrangements for a live CentraNet demonstration with GTE on November 21, 1991.

Shortly after that demonstration, Voice-Tel was informed by the customer that she decided instead to go with GTE Voice Messaging. GTE apparently used the demonstration of its CentraNet, with its bundled features, and monopoly control over network access as an opportunity to sell the customer its own version of voice messaging.

This marketing practice is exactly the type of unfair "unhooking" practice that the FCC recently ruled is unlawful. Computer III Remand Proceedings, 6 FCC Rcd 7571, 7613-14 (1991) ("'unhooking,' or the targeting of enhanced service sales pitches of customers who contact the BOC to order network services to use with a competitor's enhanced service . . . [is] an abuse of the BOCs' positions as providers of basic service"). While GTE is not currently subject to all the specific regulations that apply to BOCs, GTE has no license to engage in unreasonable practices such as "unhooking." Call transfer is a critical network feature that must be available to all voice messaging service providers. It must be possible for vendors to order this feature without being subjected to anticompetitive marketing tactics.

Ms. Kathie A. Kneff February 20, 1992 Page 4

Further, vendors should be able to order Centranet for their customers without being subjected to "unhooking" or related marketing abuses. For a number of voice messaging customers, Centranet with all its features may provide the most economical and efficient underlying communications system. Independent vendors should be able to market their voice messaging in conjunction with Centranet where it makes economic sense. However, this is not possible if vendors must refer customers to GTE sales personnel who will try to steer the customer to GTE's own voice messaging services. Therefore, in addition to requiring GTE to unbundle call transfer from CentraNet, the Commission should prohibit GTE from selling its own voice messaging service to CentraNet customers referred by other voice messaging vendors. In addition, the Commission should require GTE to establish a COG that will support independent voice messaging vendors' marketing of CentraNet without trying to take the customer away. See below.

Unfair Discrimination in Network Service

GTE is offering "integrations" to its CentraNet Voice Messaging customers. This is a network function which makes it possible for outside callers who get placed into voice mail to escape to the operator at the customer's premise. This same function is not made available to other voice messaging service providers at comparable rates. Thus, GTE is providing its CentraNet Voice Messaging service with an unfair competitive advantage. GTE should be required to offer "integrations" to other vendors and their customers on the same basis as to its own voice messaging operations.

Lack of COG Group Within GTE

GTE does not offer independent voice messaging vendors a method of placing orders that is insulated from GTE's marketing of its own voice messaging service. Thus, as a vendor, Voice-Tel cannot call GTE on behalf of its customers and be assured that the confidential order information provided will not be used against Voice-Tel by the GTE marketing department. As illustrated by the incident described above, the same people taking the orders can be selling a competitive service or referring the customer to another GTE department.

Moreover, GTE places additional burdens on vendors who wish to place orders on their customers' behalf, by requiring separate letters of agency for each customer.

Ms. Kathie A. Kneff February 20, 1992 Page 5

Like the Regional Bell Operating Companies GTE should be required to setup a COG (Centralized Operations Group) for the provision of services to enhanced service vendors and their customers.

Below Cost Pricing/Cross Subsidization

GTE's CentraNet Voice Messaging is priced extremely low -- installation is \$2.50 per mailbox, and service is \$9.95 - \$10.95 per mailbox per month.

A one-time \$2.50 per mailbox set-up fee cannot come close to the cost of providing this service. Consider the steps:

- Selling time, including demonstrations;
- Order writing;
- Programming;
- Creating mailboxes;
- Writing user manuals;
- Printing user manuals;
- Training, including travel time;

The Commission should require a full cost accounting by GTE to show how these costs can be recovered without cross subsidization.

Lack of Agency Agreement for CentraNet

As a vendor Voice-Tel is continually referring customers to GTE's CentraNet service. However, Voice-Tel cannot become an agent for GTE CentraNet because GTE does not have an Agency agreement for CentraNet.

If Voice-Tel wants to sell GTE Voice Messaging, however, Voice-Tel can sign an Agency Agreement. This is another example of how GTE is using its monopoly access to the network to restrict competition in the voice messaging service industry. GTE should be required to allow other voice messaging providers to become sales agents for CentraNet.

Ms. Kathie A. Kneff February 20, 1992 Page 6

Conclusion

In conclusion, we request a full investigation of GTE's unreasonable and anticompetitive practices in the voice messaging service area, and that the Commission order these practices stopped. Specifically,

- Call transfer features must be unbundled from CentraNet service;
- GTE must be prevented from selling its own voice messaging service to CentraNet customers referred by other voice messaging vendors;
- GTE must be required to offer basic network services to other voice messaging vendors and their customers at the same rates as to its own voice messaging service and customers;
- A separate COG-like group must be established within GTE to work with vendors.
- Blanket authorization must be provided for vendors to place orders on their customers' behalf;
- GTE must be required to demonstrate that CentraNet Voice Messaging service covers its costs.
- GTE must be required to allow independent voice messaging vendors to become commissioned sales agents for CentraNet.

Sincerely,

Robert F. Aldrich

RFA/dlt

CERTIFICATE OF SERVICE

I, Karen Dove, do hereby certify that true and correct copies of the foregoing "COMMENTS," in CC Docket No. 92-256, were served this 22nd day of February, 1993, without attachments, by first-class mail, postage prepaid, upon the attached parties.

Karen Dove

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